

LAW OFFICES
HENRY E. CRAWFORD
SUITE 900
1150 CONNECTICUT AVENUE, N.W.
WASHINGTON, D.C. 20036
202-862-4395

INTERNET: crawlaw@wizard.net
Microsoft Network: crawlaw@msn.com

TELECOPIER NUMBER
202-828-4130

May 15, 1996

BY HAND DELIVERY

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL

RECEIVED
MAY 15 1996

Re:

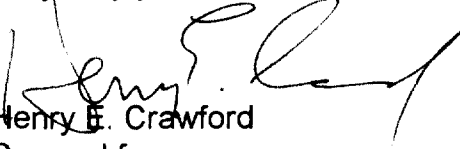
Implementation of Sections of the Cable Television Consumer Protection and Competition Act of 1992: Rate Regulation CS Docket No. 96-60

Dear Mr. Caton:

Transmitted herewith on behalf of Blab Television Network, Inc. are an original and 11 (eleven) copies of its "Comments of Blab Television Network, Inc." as directed to the Commission.

Should any additional information be required, please contact this office.

Very truly yours,


Henry E. Crawford
Counsel for
Blab Television Network, Inc.

cc: The Commission



BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C.

MAY 15 1996

In the Matter of

Implementation of Sections of the
Cable Television Consumer Protection
and Competition Act of 1992:
Rate Regulation

Leased Commercial Access

CS Docket No. 96-60

DOCKET FILE COPY ORIGINAL

To: The Commission

COMMENTS OF BLAB TELEVISION NETWORK, INC.

Henry E. Crawford

Law Offices of
Henry E. Crawford
1150 Connecticut Avenue, N.W.
Suite 900
Washington, D.C. 20036
(202) 862-4395

Counsel for
Blab Television Network, Inc.

May 15, 1996

TABLE OF CONTENTS

TABLE OF CONTENTS	i
SUMMARY	ii
I. INTRODUCTION	1
II. ARGUMENT	2
A. Local Leased Access Programming Provides Substantial Benefits to Communities	2
1. Leased Access Programming Creates Important Local Community Programming That is Not Otherwise Available	2
2. Local Leased Access Programming Benefits Local Small Businesses by Providing a Video Marketing Opportunity That is Not Otherwise Available	3
3. Leased Access Programming Creates High Quality Local Jobs	3
B. The Commission Should Take Steps to Increase Local Leased Access Programming	4
1. The Reasons for the Dearth of Leased Access Programming	4
2. Leased Access Programming Rates Should Be Set in a Simplified Manner That Starts With a Fixed Threshold Rate and Allows a Showing of Costs Only If the Threshold Rate Can Be Shown to be Unsatisfactory	6
3. Leased Access Rates Should Not Devolve to Market Rates Once the Set-Aside Requirement has Been Met	8
4. Dispute Resolution Procedures Need to be Simplified	10
5. The Added Value Brought to the Cable Operator by Local Leased Access Programming Should be Allowed as a Factor Lowering Leased Access Rates	12
6. Local Leased Access Programmers Should be Allowed to Resell Leased Access Time	13
III. CONCLUSION	14

SUMMARY

Blab Television Network, Inc. ("Blab TV") herein files its comments in connection with the Commission's leased commercial access proceeding. Blab TV is a leading producer of leased access programming and has over a decade of experience in providing local community programming. Blab TV offers the acquired wisdom of its experience to assist the Commission in structuring the relationship between operators and programmers. How that relationship is structured will determine in large part whether communities throughout the nation receive commercially viable live local programming. Blab TV hopes that the Commission will promulgate rules that will allow its successful live local programming to be duplicated in communities throughout the country.

At a time when we are witnessing an ever greater concentration of nationally based media operations, Blab TV asks the Commission to take steps to foster opportunities for live local video programming.

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C.

In the Matter of

Implementation of Sections of the
Cable Television Consumer Protection
and Competition Act of 1992:
Rate Regulation

Leased Commercial Access

CS Docket No. 96-60

To: The Commission

COMMENTS OF BLAB TELEVISION NETWORK, INC.

Blab Television Network, Inc. ("Blab TV"), by counsel, respectfully submits its *Comments of Blab Television Network, Inc.* pursuant to the Commission's March 29, 1996 *Order on Reconsideration of the First Report and Order and Further Notice of Proposed Rulemaking* ("Reconsideration Order"). In support thereof, the following is stated:

I. INTRODUCTION

1. In this proceeding the Commission is faced with the task of restructuring the relationship between leased access programmers and cable operators in order to promote more effectively: "competition in the delivery of diverse sources of video programming."¹ As a leading producer of leased access programming for over 12 years,² Blab TV submits that its comments are

¹ Communications Act of 1934, as amended, ("Communications Act") §612(c)(4)(A)(i),(ii),(iii), 47 U.S.C. §53(c)(4)(A)(i),(ii),(iii).

² Blab TV began airing live, local programming in February of 1984 in Pensacola, Florida. Blab TV currently leases 24 hour cable channels in Escambia, Santa Rosa and Okaloosa counties. Blab TV airs over 55 hours per

of substantial value in understanding the issues faced by leased access programmers. Blab TV also submits that its experience in providing commercially successful, live, local leased access programming will be instructive to the Commission in trying to stimulate the diversity of video programming contemplated by the Communications Act.

II. ARGUMENT

A. Local Leased Access Programming Provides Substantial Benefits to Communities

1. Leased Access Programming Creates Important Local Community Programming That is Not Otherwise Available

2. Blab TV's brand of live local leased access programming has brought significant benefits to the community. By definition, national cable programming cannot meet the local video programming needs of communities. In contrast, Blab TV's local, talk format allows viewers to discuss issues involving local legal institutions, local cuisine, and local gardening techniques.³ Blab TV estimates that a full 5% of the adults living within its metropolitan area have actually appeared on Blab TV at one time or another.⁴ Commercial leased access programming bridges a gap that cannot be filled by national programming. You may be able to see the great chefs of Europe on your cable channel; but if you want to see the great chef in your own community, you will need commercially viable local leased access programming.

week of commercially sponsored live local talk show programming. This is more live local programming than is being offered by any other cable channel or broadcast television station in the country. Declaration of Fred L. Vigodsky, President of Blab Television Network, Inc., ("Vigodsky Declaration") (Exhibit 1), ¶¶1-2.

³ Vigodsky Declaration, ¶ 4. Currently, Blab TV provides programming to 11 law firms, 8 physician groups, 10 realtors, 6 used car dealerships and 3 garden centers. Vigodsky Declaration, ¶3.

⁴ Vigodsky Declaration, ¶11.

2. Local Leased Access Programming Benefits Local Small Businesses by Providing a Video Marketing Opportunity That is Not Otherwise Available

3. In Blab TV's experience, local leased access programming has been a boon to local businesses. Most recently, Blab TV sent out 378 invoices to community based businesses.⁵ This is generally more than that which is sent to local businesses by cable or broadcast television.⁶ Blab TV achieves renewed business from these entities at a rate over 70%.⁷ The majority of these local merchants have never participated in television before.⁸

4. Only leased access programming allows local businesses to compete against national television advertisers and participate in television programming. The community gains from greater knowledge of its local resources and the businesses gain by the ability to reach their local audience.

3. Leased Access Programming Creates High Quality Local Jobs

5. An operation such as Blab TV may employ up to 40 individuals.⁹ These are high quality sales and technical jobs. In the event that the Commission takes action to create more reasonable leased access rates, operations like Blab TV will spring up all over the country, adding to the pool of high quality jobs. Moreover, the small businesses that present programming on Blab TV will be able to compete more effectively against nationally based chain operations, thereby ensuring even more jobs in their local communities.

⁵ Vigodsky Declaration, ¶¶7.

⁶ Vigodsky Declaration, ¶¶7.

⁷ Vigodsky Declaration, ¶¶5.

⁸ Vigodsky Declaration, ¶¶7.

⁹ Vigodsky Declaration, ¶¶8.

B. The Commission Should Take Steps to Increase Local Leased Access Programming

6. As shown above, local leased access programming provides direct benefits to the community that cannot be provided by national programmers. Local citizens are better informed and local businesses are able to deliver information about local goods and services in a manner that cannot be performed by national and/or regional cable companies. To realize these benefits, however, the Commission will need to break down the existing barriers to this form of cable programming.

1. The Reasons for the Dearth of Leased Access Programming

7. Despite the well established benefits of local leased access programming, it is certain that this service is not being delivered to local communities.¹⁰ Leased access programmers assert that the reason for the scarcity of programming is that the present maximum rate is simply too high.¹¹ On the other hand, as noted by the Commission, cable operators claim that:

...the demand for leased access is weak regardless of the leased access rate, because, at least in part, programming production costs are high.

Reconsideration Order, p. 5, ¶6.

8. In response to this observation, Blab TV submits that the biggest factors inhibiting the growth of leased access programming are the high rates charged by cable operators and the inability of leased access programmers to obtain long-term contracts.¹² These factors work in combination to inhibit the growth of commercially viable leased access programming.

¹⁰ Reconsideration Order, p. 4, ¶6.

¹¹ Reconsideration Order, pp. 4-5, ¶6.

¹² Vigodsky Declaration, ¶6.

9. In markets where cable operators have been sympathetic to community needs, Blab TV has been offered initial leased access rates of 4¢ per subscriber per month.¹³ As demand for this programming rises in the community, per subscriber leased access rates have also risen to levels around 6¢ to 8¢.¹⁴ The cable operator benefits by being able to offer community oriented programming. This, in turn, raises the number of subscribers and greatly increases customer satisfaction.¹⁵

10. In contrast with the above scenario, under the Commission's highest implicit fee formula, cable operators currently present a bewildering series of charges that vary widely from market to market.¹⁶ For example, the cable operator in West Columbia, South Carolina charges a staggering \$9,600 per day for a 24 hour channel.¹⁷ That rate translates to over \$280,000 per month. In Charlotte, North Carolina, the county rate for a 24 hour channel is \$61,000 per month.¹⁸ However, in Shreveport, Louisiana, the same 24 hour channel sells for \$40,000 per month.¹⁹

11. The above rates show an overall disparity of \$240,000 for what appears to be similar programming opportunities. These wide price swings inhibit leased access programmers in the creation of sound business plans for market entry. More significantly, there is no evidence in the record to support these rates as opposed to the roughly \$5,000 to \$6,000 per month that is charged in Pensacola, Florida. What is known is that Blab TV has worked and

¹³ Vigodsky Declaration, ¶¶5.

¹⁴ Id.

¹⁵ Id.

¹⁶ Vigodsky Declaration, ¶¶6.

¹⁷ Exhibit 2.

¹⁸ Exhibit 3.

¹⁹ Exhibit 4.

been successful in Pensacola, and the community and the cable operator have each benefited from local origination programming. In the other markets, under the highest implicit fee formula, there is simply no opportunity for this programming.

12. The prohibitively high rates demonstrated above work in conjunction with the unavailability of long-term contracts to create an additional barrier to commercially viable local origination programming. If the operators are correct in asserting the high cost of developing local leased access programs,²⁰ then the need to provide long-term contracts can clearly be seen as part of the problem. Absent a long-term contract, a local programmer cannot invest in studio facilities or other production equipment that can put local programming on a par with nationally based programming. In this connection the leased access programmer is in much the same situation that a broadcast television station would be without a 5 year license term and no renewal expectancy. The Commission should take steps that encourage cable operators to enter into long-term contracts.

2. Leased Access Programming Rates Should Be Set in a Simplified Manner That Starts With a Fixed Threshold Rate and Allows a Showing of Costs Only If the Threshold Rate Can Be Shown to be Unsatisfactory

13. The Commission has requested comment on its proposal to set the maximum rate based on the cable operator's reasonable costs plus a reasonable profit.²¹ Blab TV submits that any attempt to satisfy the Congressional mandate to increase diverse sources of video programming through local programming must begin with initial leased access rates in the 4¢ to 8¢ per subscriber per

²⁰ Reconsideration Order, p. 5, ¶16.

²¹ Reconsideration Order, p. 28, ¶166.

month range. Blab TV's experience has shown that higher rates are not commercially viable for local origination programming. As Blab TV's factual showing has demonstrated, such programming can be successful and bring substantial benefits to both the local community and the cable operator.

14. Blab TV submits that the Commission should set a fixed per subscriber figure in line with the data that Blab TV has acquired over the years that it has provided this programming. If an operator finds that its real costs are not being met and that it is, in fact, losing money on the leased access channel, then it should be allowed to demonstrate those actual costs and losses in seeking a rate increase before the Commission.

15. In the case of the highest implicit fee formula, placing the initial burden on the leased access programmer to question the rate has itself created a barrier to local programming. A programmer hoping to develop local programming in a given market must litigate in the first instance in order to insure that the operator is not charging more than the legal rate. By establishing a threshold per subscriber rate, local programmers will have the needed data to formulate a business plan for implementing this programming. Moreover, by making this rate universal, communities can share the data and experiences of other markets, instead of the idiosyncratic situation that presently exists. On the other hand, if there are actual costs that are not being recaptured by the cable operator, that operator should be allowed to demonstrate those costs in an adversarial proceeding in which the basis of those costs is carefully scrutinized.

16. With respect to the components of the cost formula, Blab TV believes that they should be set forth in the final order as factors to be determined on a case-by-case basis. As presently set forth in the

Reconsideration Order, these rules and sub-formulas appear to be substantially conceptual in nature rather than being based on the actual experience of any actual cable operator. A case-by-case method will ensure that the actual interests of the community, the programmer and the cable operator are all represented and carefully scrutinized.

17. In sum, using the system advocated by Blab TV, the Commission would set a fixed rate in the first instance. If a cable operator actually experiences unrecovered costs, it would then be allowed to seek a rate increase based on those costs. In this way, both the needs of the community to have local origination programming and the needs of the operator can be satisfactorily met.

3. Leased Access Rates Should Not Devolve to Market Rates Once the Set-Aside Requirement has Been Met

18. In the Reconsideration Order the Commission proposed and asked for comment on its tentative conclusion to set leased access rates at the market rate once the statutory set-aside requirement has been met.²² Blab TV submits that this procedure would create a chaotic environment for leased access programming that would degrade the viability and quality of the programming.

19. The procedures proposed by the Commission would create an incentive for shorter contract periods. As noted by Blab TV,²³ one of the most important factors needed to support local community programming is the ability to obtain long-term contracts for cable channels. Such contracts are necessary if a leased access programmer is to make the long-term investment in studio facilities and other equipment necessary for high quality video programming.

²² Reconsideration Order, p. 29, ¶73.

²³ Vigodsky Declaration, ¶6.

Any incentive for entering into such contracts will be lost if the cable operator is encouraged to pit programmer against programmer on a frequent basis. Unlike a broadcaster or a cable operator, the leased access programmer has no renewal expectancy or other long term commitment upon which to base its investment strategy. Under the system proposed by the Commission, operators would be encouraged to enter into short-term arrangements with programmers in order to take advantage of the possibility of negotiating greater rates at the completion of the contract term. This would seriously undermine the amount of investment that programmers could attract or put into programming.

20. Additionally, there is no objective way of deciding among competing programmers. While the Reconsideration Order assumes that selection of programmers would be a matter of highest price, other non-market factors could be just as influential. For example, a leased access programmer who had pressed its rights before the Commission could become the victim of retaliation at contract renewal time. Absent a formal bidding process, it would be impossible to verify if market forces played any role at all in selecting the programmers.

21. For all of the inherent danger in the market rate process, little would be gained. Assuming that the operator's costs are being recaptured through the cost formula, the operator would be poised to obtain a windfall in extra revenue. The cost of that windfall would be borne by the viewing community whose local programming would suffer as a result of the diminished ability to provide adequate investment. Therefore, the Commission should not adopt the market rate procedure outlined in the Reconsideration Order.

4. Dispute Resolution Procedures Need to be Simplified

22. The Reconsideration Order, contemplates a process that, in effect, lays the entire burden of dispute resolution on the leased access programmer:

In order to streamline the complaint process before the Commission, we propose to stipulate that a leased access programmer may not file a complaint alleging that an operator's maximum rate was calculated incorrectly unless an independent certified public accountant has first reviewed the operator's calculations and made an independent determination of the maximum rate.

Reconsideration Order, p. 56, ¶137. In accordance with the system outlined by Blab TV, the rate would initially be fixed across the board. If the operator believes that it is subsidizing leased access programming, it will be up to the operator to seek a Commission approved rate increase. This is a fair approach since it is the operator who has access in the first instance to its financial data and operating costs. The initial burden should not be on the programmer to guess at these costs or be required to hire accountants to engage in a battle of experts. This method places the decision to litigate into the hands of the party best suited to make that decision.

23. For purposes of streamlining the procedure, the Commission's requirement of an independent accountant could be made the responsibility of the cable operator. That is, no cable operator should be allowed to seek an increase over the initial rate unless it has the report of an independent accountant stating that the actual cost of providing the leased access channel is not being met by the initial rate.

24. The burden of proceeding before the Commission has to be placed with either the cable operator or the programmer. Considering the cable

operator's greater knowledge of its costs, its ability to better assess the cost of litigation and the fact that it already owns a valuable stake in the local video market, these burdens are more appropriately placed on the cable operator. This method will also decrease the likelihood of retaliation since no specific programmer will have to come forward in the first instance.

25. Additionally, during the time that any actual litigation is pending, the public and parties will have the benefit of a fixed rate status quo. The litigation will be more efficient because the party seeking relief (i.e., the cable operator) knows best how to proceed to make its case. More importantly, the initial fixed rate will allow entrepreneurs and local businesses to rationally plan their entry into a market without having to first file a leased access complaint with the Commission. Indeed, it is only through this method that communities will honestly know whether local programming is viable in their community. If it turns out that, as a matter of happenstance, local origination programming is only commercially viable in markets like Pensacola, the communities involved will know that by virtue of having had the benefit of a fixed initial leased access rate.

26. Cable operators enjoy a position of unique power within their communities. Requiring programmers to initiate litigation by filing leased access complaints exposes them to the very real possibility of retaliation. The cable operator can always tell the leased access programmer to, in effect, "get lost." The local community, however, does not have that power in connection with the cable operator. Therefore, the dispute resolution mechanism should be crafted in a manner so as to reflect the greater power of the cable operator by requiring that the operator seek rate increases for its purported costs.

5. The Added Value Brought to the Cable Operator by Local Leased Access Programming Should be Allowed as a Factor Lowering Leased Access Rates

27. Blab TV's experience has shown that locally produced live leased access programming brings measurable benefits to the cable operator.²⁴ Blab TV submits that these benefits should be charged against any costs shown by the cable operator.

28. The benefits of a leased access programming channel can be readily assessed. Data from ratings services are available to show viewership of the channel. The cable operator will also benefit from any increase in cable subscribers that results from the programming. Here it is important to remember that this programming allows cable viewers to participate either through the telephone or by on-camera appearances.²⁵ This creates valuable good will, which can be quantified and factored against the operator's cost analysis. Finally, community surveys and other objective yardsticks can be used to measure and quantify the benefits of a leased access channel to the cable operator.

29. One important benefit that the cable operator receives from local leased access programmers is the ability to compete against other non-local forms of video delivery such as Direct Broadcast Satellite. As DBS grows, cable operators will have to increasingly rely upon intrinsically local programming to compete against purely national based television services. This is a benefit that should be charged against the cost of leased access programming.

²⁴ Vigodsky Declaration, ¶¶5.

²⁵ Vigodsky Declaration, ¶¶11.

30. In sum, Blab TV does not seek a subsidy from the cable operator, nor should it subsidize the cable operator with benefits that go unaccounted for. Therefore, Blab TV submits that leased access programmers be allowed to make a showing of the benefits of its programming to be charged against the operator's costs.

6. Local Leased Access Programmers Should be Allowed to Resell Leased Access Time

31. In the Reconsideration Order, the Commission sought comment on the advisability of allowing the resale of leased access time.²⁶ Blab TV submits that this is a legitimate pursuit that allows local programming to be commercially viable. On the other hand, restraint of this important additional source of revenue could effectively kill such programming.

32. Much of Blab TV's programming is developed at its studios on behalf of local businesses and other entities. It is then rebroadcast on Blab TV's leased access channel. It is generally beyond the expertise and resources of these local establishments to construct their own studios and buy their own time from the cable operator. As the focal point for this programming, Blab TV allows participation in the video medium that could not be achieved by separate companies acting on their own.

33. In sum, the developer of leased access programming has the expertise and the sales force to most appropriately serve as a means for gaining access to this medium. To prohibit the resale of leased access time would be to ignore the value of this local expertise and require that each enterprise learn cablecasting. Therefore, in order to create the most efficient mechanism for

²⁶ Reconsideration Order, p. 57, ¶141.

implementing local community programming, leased access programmers should be permitted to resell leased access time.

III. CONCLUSION

34. Blab TV has not entered this proceeding for the sole purpose of advancing its own self interest. Blab TV already has a successful commercial leased access operation. The hope is that other programmers will be empowered to bring high quality local leased access programming to communities throughout the country.

35. Over the past 12 years, Blab TV has gained considerable experience in serving the community in a partnership with its local cable operator. The lessons of this experience are set out in these comments. In the final analysis it is for the Commission to decide whether the benefits of live local programming should be a part of every community in the nation or left to the whim of certain cable operators.

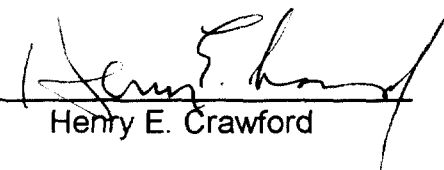
WHEREFORE, Blab Television Network, Inc. respectfully requests that the Commission take action consistent with the views expressed herein by Blab Television Network, Inc.

May 15, 1996

Law Offices of
Henry E. Crawford, Esq.
1150 Connecticut Avenue, N.W.
Suite 900
Washington, D.C. 20036
(202) 862-4395

Respectfully Submitted,

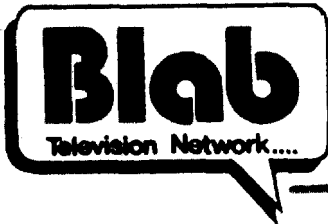
Blab Television Network, Inc.

By: 
Henry E. Crawford

Its Attorney

Comments of
Blab Television Network, Inc.
Exhibit 1
May 15, 1996

Exhibit 1



TV you can talk back to.

DECLARATION

I, Fred L. Vigodsky, President of Blab Television Network, Inc., under penalty of perjury, hereby state and declare the following:

1. Over the past 12 years, Blab Television Network ("Blab TV") has been a leading producer of leased access programming, providing communities with live, local commercial programming. Blab TV began airing live, local programming in February of 1984 in Pensacola, Florida. Blab TV currently leases 24 hour cable channels in Escambia, Santa Rosa and Okaloosa counties, Florida.

2. Blab TV airs over 55 hours per week of commercially sponsored live local talk shows. To the best of my knowledge, this is more live local programming than is being offered by any other cable channel or broadcast television station in the county. Blab also offers reruns of its live shows and additionally has regionally or nationally produced infomercials as roughly 10% of its total programming time.

3. Among Blab TV's live programming are 11 law firms, 8 physician groups, 10 realtors, 6 used car dealerships, 3 garden centers and a diverse group of local civic, cultural, and governmental groups.

4. Blab TV presents programming that is unavailable elsewhere. Blab callers are able to discuss local issues with local experts involving a multitude of topics. The topics range from crime to healthcare, beauty to senior issues. They can learn about local cooking techniques by watching chefs prepare dishes for local restaurants. Similarly, local garden experts give advice that is specific to the actual conditions found in the community.

5. Some cable operators that Blab TV has worked with afford a great deal of discretion to local management. In such a case, a cooperative relationship with the operator has allowed us to expand our local programming concept. We have found that initial rates of \$.04 per subscriber per month is low enough to get a start. Once the programming has established itself in the community, higher rates from \$.06 to \$.08 per month may be charged. Where, as in Pensacola, we have worked on a cooperative basis with the cable operator, we have grown our operation and the cable operator has benefited by receiving the added value of quality, locally produced programming. Our advertisers renew

their commitment to our programming at a rate slightly above 70%. This, however, is a process that takes time and requires the reasonable cooperation of the cable operator.

6. Other cable operators charge rates that are so excessive that Blab TV cannot be successful. These rates vary from operator to operator without any apparent reason. In our experience, the biggest impediment to bringing local leased access programming to other communities is the high rates charged by these cable operators and their unwillingness to offer long term contracts that would be necessary for Blab TV to invest in a building and studio.

7. Blab TV benefits small, local business. Last month Blab TV sent out 378 invoices to local community merchants. This is far greater local participation than is present in broadcast television and generally cable, both of which favor national or regional advertisers. Only through Blab TV can local restaurant owners successfully compete for television time against national chains. With weekday rates for half-hour reruns starting at \$60.00 a piece (\$175.00 on weekends), television time becomes a reality for local small businesses. The vast majority of advertisers have never participated in television before.

8. Local TV means jobs. Blab TV employs 40 individuals at its local operation, most of whom are part time. If cable operators charged reasonable rates, television formats like Blab TV would blossom throughout the country, creating high quality sales and technical jobs. Local merchants would also be given a leg up in their competition with national chains operations. These small businesses and local merchants create many valuable community based jobs.

9. Blab TV is poised on the cutting edge of what local programming will become in the 21st century. With homes literally having hundreds, if not thousands, of channels to choose from the demand for programming dealing with local issues, people, and products is a certainty. With our new state-of-the-art studio designed specifically to accommodate talk TV, Blab TV brings to our area sophistication of local TV not seen anywhere else in the country; and in doing so, gives our advertisers optimum results for their expenditures, and households information not available elsewhere.

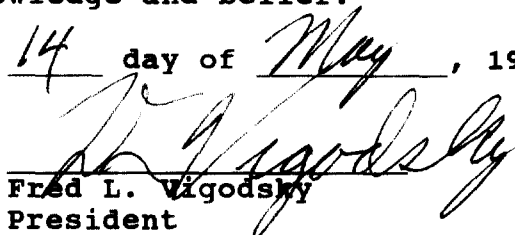
10. Blab TV would like communities throughout the country to have the same local programming as that which can be found in our part of Florida. This is a possibility that the Federal Communications can help realize by requiring reasonable leased access rates.

11. In trying to understand what the Commission desires to do with regard to local origination, it is my opinion that Blab TV, or something just like it is what they would like to duplicate around the country. It is my educated opinion,

although I cannot validate it, that over 5% of the 200,000 adults that live in this metropolitan area have appeared on Blab TV at one time or another. That is true community programming.

The above statements of fact are true and correct to the best of my own personal knowledge and belief.

Signed and dated this 14 day of May, 1996.


Fred L. Vigodsky
President
Blab Television Network, Inc.

Comments of
Blab Television Network, Inc.
Exhibit 2
May 15, 1996

Exhibit 2



TIME WARNER
CABLE

May 1, 1996

Mr. Fred Vigodsky
c/o BLAB TELEVISION NETWORK
P.O. Box 12836
Pensacola, Fla. 32576

Registered Mail: Return Receipt Requested

Dear Mr. Vigodsky:

I have received your letter in reference to negotiating a 24 hour channel lease for BLAB Television.

Please find attached an application form and interim rate information for the Columbia, SC system.

Our lowest rate for a time block is \$400.00 per hour. Based on a 24 hour channel lease the daily rate is \$9,600 per day.

Please feel free to contact me if I can be of further assistance.

Sincerely,

Tim Hartman
Tim Hartman
General Manager

TJH/js

cc: Bud Tibshirany

*\$400 per hour
\$9600 per day*

West Columbia, SC

Comments of
Blab Television Network, Inc.
Exhibit 3
May 15, 1996

Exhibit 3